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August 11, 2014

RECEIVED

AUG 12 2014

**PUBLIC SERVICE
COMMISSION**

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, KY 40602-0645

**Re: Western Fleming County Water District
Case No. 2014-00048**

Dear Mr. Derouen:

The Board of Directors of Western Fleming County Water District wishes to implement the recommendations of the Staff of Kentucky Public Service Commission as outlined in the Staff Report of July 28, 2014 in regards to the amount of revenue increase, the allocation to the rate classes, and the design of the proposed rates.

Please consider this letter as a request to amend the original application in this Case No. 2014-00048.

Additionally, the utility requests guidance on how the utility needs to provide notices to its members.

The WFCWD would like to call the Commission's attention to the following:

1. During the first seven (7) months of 2014, WFCWD produced 174,730,910 gallons of water. This water production was allocated (i) to Nicholas County Water District, 60,992,100 gallons, or 34.9%; (2) to Buffalo Trail Water, 87,378,000 gallons, or 50%; and (3) to WFCWD's retail customers, 26,360,810 gallons, or 15.1%.
2. WFCWD's water purchase contract with Nicholas County Water District dated September 18, 2000, initially called for 3,000,000 gallons per month. For the first seven (7) months of 2014, Nicholas County Water District purchased 60,992,100 gallons, or 8,713,157 gallons per month (290,438 gallons per day). Buffalo Trail Water purchased 87,378,000 gallons, or 12,482,571 gallons per month (416,085 gallons per day).

3. The amount Nicholas County Water District uses now is almost three times the original contract amount. Neither Nicholas County nor Buffalo Trail's service area has increased, nor has there been a great increase in population and no influx of manufacturing or businesses. The WFCWD would hope the Commission would look into where their extra water purchases are being used.

4. This extra water purchase is putting a great burden on WFCWD in that (i) it will cause an increase to the number of employees required to run the plant, which is currently numbered at three (3); (ii) it will create an excessive burden on the equipment, which will reduce the useful life of the plant in general.

5. WFCWD made a \$2,500,000 expansion to increase its water output two years ago, with almost 85% of the water produced going toward wholesale water sales to Nicholas County Water District and Buffalo Trail Water District.

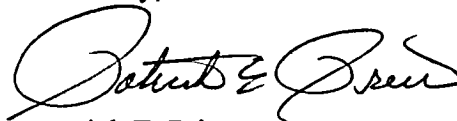
6. The first seven (7) months of 2014, WFCWD produced 174,730,910 gallons of water, with the allocation as follows: (i) Nicholas County Water District, 60,992,100 gallons (34.9%); (ii) Buffalo Trail Water District, 87,378,000 gallons (50%); and (iii) WFCWD's retail customers, 26,360,810 gallons (15.1%).

7. WFCWD purchases water from the Greater Fleming County Water District and pays \$1.86 per 1,000 gallons. Under the recommendations of the staff, 1,000 gallons of wholesale water would saell for \$1.63 per 1,000 gallons.

8. The Commissioners of WFCWD know they are in desperate need of the increases as outlined by the staff report; however, they think it is grossly unfair that the retail customers of the district have to bear the burden of the increased cost at the expense of the wholesale customers, Nicholas County Water District, and Buffalo Trail Water District.

If this letter is not sufficient for amending this application, please provide guidance on the proper procedure.

Sincerely,



Patrick E. Price
Attorney for Western Fleming County
Water District

PEP:rph

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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AUG 12 2014

PUBLIC SERVICE
COMMISSION

In the Matter of

APPLICATION OF WESTERN FLEMING)
COUNTY WATER DISTRICT FOR RATE)
ADJUSTMENT FOR SMALL UTILITIES)
PURSUANT TO 807:KAR 5:076)

CASE NO.
2014-00048

REQUEST TO AMEND THE ORIGINAL APPLICATION

Western Fleming County Water District ("WFCWD") has concluded that it is in its best interest to accept the recommendations provided in the Kentucky Public Service Commission Staff's Report of July 28, 2014. WFCWD agrees to accept the amount increase, the allocation of the increase amount, and the rate designs recommended in the Staff Report. WFCWD also agrees to provide notice to its members of the recommendations and their acceptance of the Staff Report.

Date: August 11, 2014



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CERTIFICATE OF SERVICE

This Request to Amend the Original Application was served by mailing overnight delivery, this 11th day of August 2014, pursuant to Order of Public Service Commission entered May 20, 2014.



PATRICK E. PRICE